



General Assembly

January Session, 2007

Raised Bill No. 7330

LCO No. 4451

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Referred to Committee on Finance, Revenue and Bonding

Introduced by:
(FIN)

AN ACT CONCERNING REAL ESTATE CONVEYANCE TAX RATES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-494 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2007*):

3 (a) There is imposed a tax on each deed, instrument or writing,
4 whereby any lands, tenements or other realty is granted, assigned,
5 transferred or otherwise conveyed to, or vested in, the purchaser, or
6 any other person by his direction, when the consideration for the
7 interest or property conveyed equals or exceeds two thousand dollars,
8 (1) subject to the provisions of subsection (b) of this section, at the rate
9 of five-tenths of one per cent of the consideration for the interest in real
10 property conveyed by such deed, instrument or writing, the revenue
11 from which shall be remitted by the town clerk of the municipality in
12 which such tax is paid, not later than ten days following receipt
13 thereof, to the Commissioner of Revenue Services for deposit to the
14 credit of the state General Fund, and (2) at the rate of one-fourth of one
15 per cent of the consideration for the interest in real property conveyed
16 by such deed, instrument or writing, and on and after July 1, [2007]
17 2009, at the rate of eleven one-hundredths of one per cent of the

18 consideration for the interest in real property conveyed by such deed,
19 instrument or writing, provided the amount imposed under this
20 subdivision shall become part of the general revenue of the
21 municipality in accordance with section 12-499.

22 (b) The rate of tax imposed under subdivision (1) of subsection (a) of
23 this section shall, in lieu of the rate under said subdivision (1), be
24 imposed on certain conveyances as follows: (1) In the case of any
25 conveyance of real property which at the time of such conveyance is
26 used for any purpose other than residential use, except unimproved
27 land, the tax under said subdivision (1) shall be imposed at the rate of
28 one per cent of the consideration for the interest in real property
29 conveyed; (2) in the case of any conveyance in which the real property
30 conveyed is a residential estate, including a primary dwelling and any
31 auxiliary housing or structures, regardless of the number of deeds,
32 instruments or writings used to convey such residential real estate, for
33 which the consideration or aggregate consideration, as the case may
34 be, in such conveyance is eight hundred thousand dollars or more, the
35 tax under said subdivision (1) shall be imposed (A) at the rate of one-
36 half of one per cent on that portion of such consideration up to and
37 including the amount of eight hundred thousand dollars, and (B) at the
38 rate of one per cent on that portion of such consideration in excess of
39 eight hundred thousand dollars; and (3) in the case of any conveyance
40 in which real property on which mortgage payments have been
41 delinquent for not less than six months is conveyed to a financial
42 institution or its subsidiary which holds such a delinquent mortgage
43 on such property, the tax under said subdivision (1) shall be imposed
44 at the rate of one-half of one per cent of the consideration for the
45 interest in real property conveyed.

46 (c) In addition to the tax imposed under subsection (a) of this
47 section, any targeted investment community, as defined in section 32-
48 222, or any municipality in which properties designated as
49 manufacturing plants under section 32-75c are located, may, on or after
50 March 15, 2003, impose an additional tax on each deed, instrument or

51 writing, whereby any lands, tenements or other realty is granted,
52 assigned, transferred or otherwise conveyed to, or vested in, the
53 purchaser, or any other person by his direction, when the
54 consideration for the interest or property conveyed equals or exceeds
55 two thousand dollars, which additional tax shall be at a rate of up to
56 one-fourth of one per cent of the consideration for the interest in real
57 property conveyed by such deed, instrument or writing. The revenue
58 from such additional tax shall become part of the general revenue of
59 the municipality in accordance with section 12-499.

60 (d) For purposes of this section, "unimproved land" means land that
61 has never been improved, or land that was once improved but has not
62 contained an intact structure for ten years prior to conveyance of such
63 land.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	July 1, 2007	12-494
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Statement of Purpose:

To maintain the existing municipal real estate conveyance tax until July 1, 2009, and to define the term "unimproved land" for purposes of the real estate conveyance tax.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]